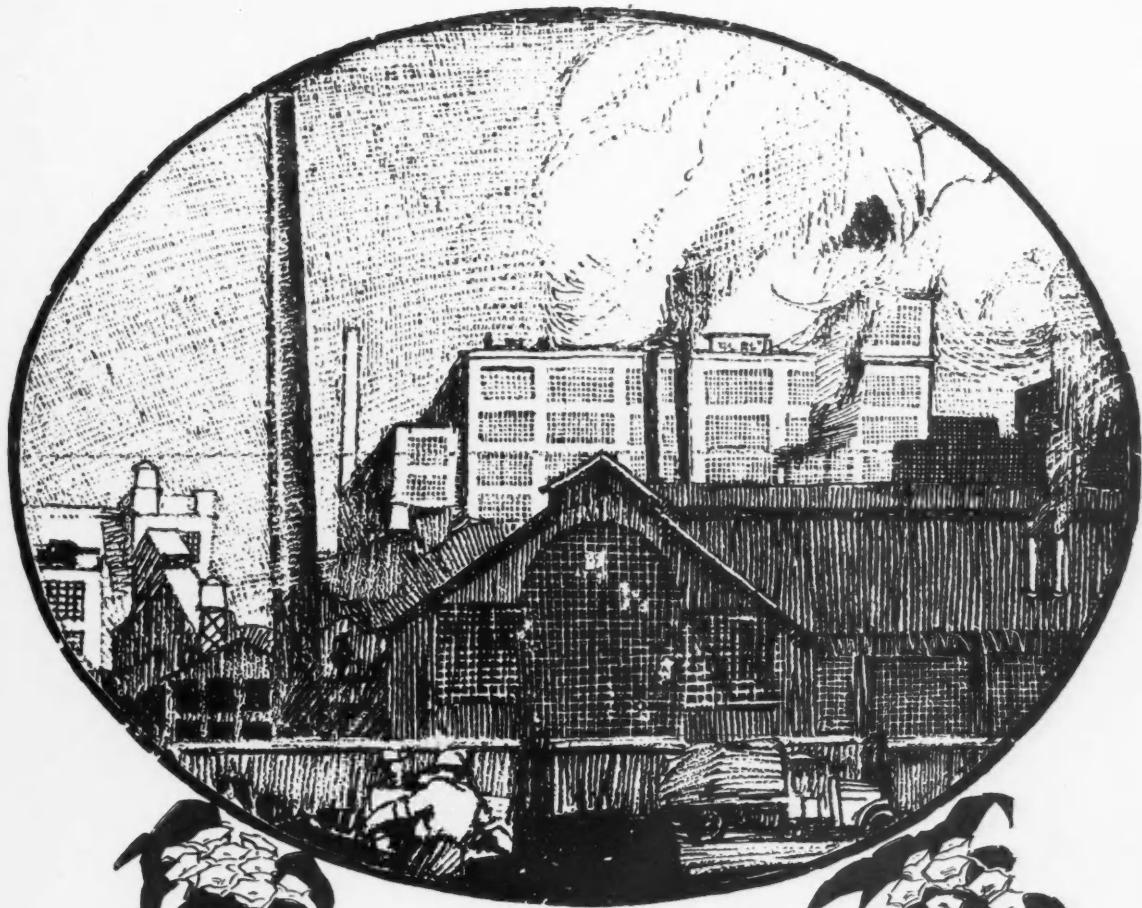


JANUARY



# CONNECTICUT INDUSTRY

PUBLISHED BY

The Manufacturers Association of Connecticut, Inc.

## OFFICERS

E. KENT HUBBARD, *President*  
JOHN H. GOSS, *Vice-President*  
ROBERT C. BUELL, *Secretary-Treasurer*

## DIRECTORS

H. B. SARGENT	C. B. WHITTELSEY
S. M. STONE	F. S. CHASE
C. E. BILTON	HARRIS W. WHITTEMORE
F. B. RICKETSON	E. A. MOORE
W. W. WILCOX	I. M. ULLMAN
F. R. APPELT	F. J. KINGSBURY
WILLIAM PARK	OLIVER L. JOHNSON
JOHN F. ROGERS	CHAS. T. TREADWAY

F. B. FARNSWORTH

## CHAIRMEN OF COMMITTEES

GUY P. MILLER, *Finance & Taxation*  
J. E. OTTERSON, *Industrial Relations*  
CHARLES L. TAYLOR, *Manufacturers'*  
CHARLES T. TREADWAY, *Education*  
WILSON H. LEE, *Agriculture*  
R. L. FRENCH, *Traffic*  
FRED S. CHASE, *St. Lawrence-Great Lakes Waterway*  
JOHN H. GOSS, *Research*

## ADMINISTRATIVE STAFF

C. L. Eyanson	H. J. Smith	A. B. Sands
	W. A. Dower	

## DEPARTMENTAL STAFF

G. D. Atwood	M. R. Raites
M. E. Cornwall	D. B. Twiss
A. M. Myers	E. M. McCarthy
	M. I. Goodchilds

# CONNECTICUT INDUSTRY

*published by*

The Manufacturers Association of Connecticut, Inc.

EXECUTIVE OFFICES, 252 ASYLUM ST., HARTFORD.

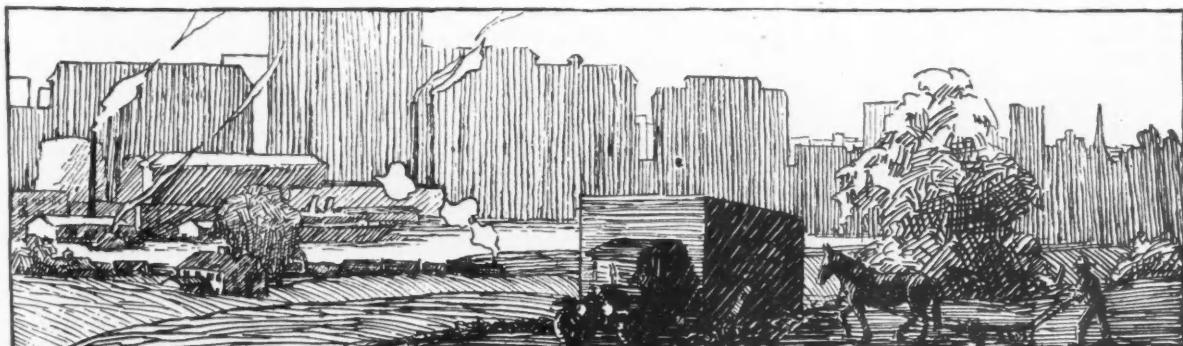
Phones 2-1157, 2-1158

VOL. II

JANUARY, 1924

No. 1

EDITORIAL .....	4
PROPERTY TAX TROUBLES, AD LIB .....	5
WILLIAM H. BLODGETT, <i>Tax Commissioner of Connecticut</i>	
FEDERAL LEGISLATION .....	9
PURCHASING DEPARTMENT FUNDAMENTALS .....	10
GUY P. MILLER, <i>of Searle, Oakey &amp; Miller</i>	
TRANSPORTATION .....	12
ASSOCIATION ITEMS .....	13
NEWS OF THE TRADES .....	15
SALES EXCHANGE .....	16
EMPLOYMENT .....	16



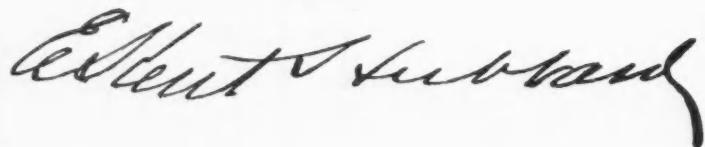
### A NEW YEAR'S GREETING.

As the old year passes we extend to our members a greeting for the year to come.

I trust we may all feel reasonably satisfied with what the Association has accomplished in the past year even though we would have enjoyed doing much more. Without belittling in any way the value of a multitude of services which have been rendered in our various departments, I nevertheless feel that perhaps the most important work that the Association has done is in helping our members to appreciate more fully the value of a spirit of friendliness and of coöperation.

If we have helped you to know your neighbor a little better, if you in the metal trades have learned that the man who makes his wares of silk or wool or cotton has the same problems as you — if you in the textile business have learned that the interests of the man making tools or sheet metal or rubber or paper are after all no different from your interests, then the Association has not labored in vain.

No man, no industry, no group is sufficient unto itself. There are none of us so wise that we do not need the wisdom of our neighbors' experience. Know the Association, know each other, play the game by the best rules you know — what more is there to say?

A handwritten signature in cursive script, appearing to read "Elbert Hubbard".

## PROPERTY TAX TROUBLES Ad Lib.

By WILLIAM H. BLODGETT, *Tax Commissioner of Connecticut.*

For some years prior to 1851 each person in Connecticut was subject to taxation upon his income. Real estate was rated in proportion to the annual income it was deemed likely to produce, and not according to its value. Best meadow land was put into the tax list at \$2.50 per acre, pasture land at \$1.34, and wood lots at 34c. These amounts were fixed by statute and were thought to represent the average income from each class of property. Houses and other buildings were listed at the fixed sums prescribed by statute. They were determined by size, material, number of fireplaces, etc. Tradesmen were subject to tax on their presumed income; craftsmen, on their presumed earnings. As to such property assessors were given no discretionary powers. Everything

was fixed by the tax law. Intangible property, which had been practically nonexistent for years (since the foundation of the colony), was still relatively unimportant. Under such a system there was little opportunity for evading taxation.

The situation is far otherwise to-day. Our present general system of taxation dates only from 1851. An Act of the General Assembly of that year provided that all taxable property should be listed by the assessors at its "present, full, fair, and just value." Assessors were authorized to add to any list given in, all taxable property omitted. For some years the tax was levied on an amount equal to three per cent. of such full valuation. In 1859, however, our legislators decreed that all taxes be levied on the full hundred per cent. valuation. This is the law today.

The most weighty reason for the change

of Connecticut's taxation system in 1851 was due to the feeling that income from intangible property in the community was not bearing its fair share of the tax burden. By the new law, that class of property was put on a parity with all other taxable property.

At present the general property tax is levied on three broad classes of property:

(1) Real estate, which includes land and all buildings erected on or affixed to land. Certain machinery not easily movable and fixtures as defined by law come in this group.

(2) Tangible personal property, which includes such property as domestic animals, automobiles, furniture, goods, stock in trade, raw materials, and merchandise on hand.

(3) Intangible personal property, which consists of stocks, bonds, debentures, notes, and other paper evidences of ownership.

A tax law, in order to be successful, must conform to certain principles. Every civilized community professes to tax the individual according to his ability to pay. This ability may be measured by his property or any other standard. In primitive communities property is, to a large extent, a true test of ability. As a community progresses and broadens out into all the numerous ramifications and complexities of our modern society, property assumes many varieties of forms, a large share of which may be hidden and concealed from even the most inquisitorial assessor. Classes have arisen which support themselves from their earnings, and not on their property. He who earns a salary cannot be devoid of ability to pay. Of two factory owners, one may be running full time and making large profits; the other, having the



WILLIAM H. BLODGETT

same amount of property, may be compelled to keep his factory closed and earn nothing. Of two bondholders, one may hold a bond, the interest on which has not been paid for years; the other, a bond which has been highly remunerative. The productiveness of property may become a controlling element in calculating the owner's ability.

Of the many different kinds of taxation in this state, none is so important as the general property tax. Of the revenue raised by taxation for the support of all our taxing districts (state, county, and local), slightly less than five-sixths comes from it. A tax, which occupies so pre-eminent a position in our taxation system, should be scrutinized very carefully to see if it is performing its proper functions. These functions may be set down as follows:

(1) The tax ought to be economical in its administration. Only a very small percentage of the amount raised should be spent for its collection.

(2) The tax ought to be levied to suit, as far as possible, the convenience of the taxpayer.

(3) The tax which each citizen is to pay ought to be certain, and not arbitrary. The time of payment, the manner of payment, the amount to be paid, should vary as little as possible from year to year. The various taxing units of the state should be reasonably uniform in these particulars.

(4) Double taxation should be avoided. The same property, although it may have several evidences of ownership, should be taxed only once.

(5) The tax should represent equality of sacrifice for all. Each person should feel that, according to his ability, he is paying as much as, and no more than, his neighbor into the public treasury.

(6) The tax should be levied in such manner as will not operate to deprave the morals of the taxpayer.

Viewed in the light of these principles the general property tax is woefully deficient. The tax is certainly economical in its administration. It is too economical. The assessors and members of the boards of relief are paid, in the vast majority of instances, only nominal salaries. In a few of our larger towns and in most of our cities, the assessors are on a full time basis. Otherwise the assessors are required to snatch a few days or a few hours from their regular business to attend to their assessment duties. In many instances, the assessor receives a flat sum, such as fifty,

seventy-five, or a hundred dollars annually for his work. The result is inevitable. Property which is clearly in evidence and manifestly taxable is put in the assessment list. Property which may be concealed, or about which there exists some doubt in the lay mind of the assessor as to its taxability, is excluded. There is a very general tendency to copy the assessment roll of the previous year. New property, which has come into existence since the last assessment date, thus very generally avoids taxation. The work is altogether too frequently done in a slovenly, slip-shod manner. There are a few notable instances of careful, painstaking work on the part of the assessors. Usually, each may be traced to a public-spirited citizen who is taking his assessor's oath seriously and who is giving his services, to a large extent, to the community. The man in our cities who is giving his whole time to the preparation of the assessment roll is doing much better work than is usually the case with the part-time assessor in the smaller towns.

This in itself would suggest the remedy. Make the assessment districts sufficiently large to enable them to employ a full time man. A good assessor is a man of high qualities. He must be fearless, possessed of infinite patience, sound and discriminating in judgment, tactful, and with an unyielding purpose to assess equitably all property, playing favorites to none. In our western states the taxing unit is the county. Very good results have been obtained from full-time county assessors. In order, however, to remain true, as far as possible, to our New England tradition of a decentralized government and large exercise of powers by the township, it would be better to bolster up the work of the local assessors by the appointment of a sufficient number of supervisors of assessors. Massachusetts has had three such supervisors of assessors since 1908 and has found them very instrumental in securing greater uniformity in the administration and the enforcement of the law. Today, the complexity of the tax statutes, the variety of forms of taxable property, the multiplicity of tax exemptions, the ever growing list of court decisions which affect the assessment of property, require, if efficient work is to be done, a man of ability and experience. Such a man sitting in with the local board of assessors whenever requested, or, at least, once in five years, would be of incalculable service in furnishing assessors with information concerning the law, the taxability of certain kinds of property, and the most approved methods of valuing property for pur-

poses of taxation. The ultimate responsibility should rest with the assessors.

When it comes to the consideration of the principle that a good tax ought to be levied to suit, as far as possible, the convenience of the taxpayer, it is seen at once that no such effort is made to do this under the general property tax. The property tax has come to be regarded as a tax in rem, on property, an impersonal tax. The original justification of the tax (that property is the measure of a person's ability to support the state) has been almost lost sight of. The convenience of the taxpayer in the collection of so impersonal a tax is very little regarded. The property tax is not certain in the time of payment, the manner of payment, or the amount to be paid. Each town should stabilize, as far as possible, these requirements for a good tax. The introduction of the budget system and the requirement that the indebtedness of a town be limited to a certain proportion of its grand list has had a salutary effect. These provisions, which have put the towns on a sound financial basis, will have their effect in stabilizing the levying and collection of taxes.

One of our greatest problems in regard to our present general property tax is that of double taxation. A man buys a ten thousand dollar house in Hartford, paying five thousand dollars in cash, and taking out a five thousand dollar first mortgage. It would be a flagrant case of double taxation if the mortgagor were assessed ten thousand dollars on his real estate, and the mortgagee five thousand dollars on his secured note. Our statutes recognize this by taxing the mortgagor on the full value of his real estate and taxing the mortgagee on only that part, if any, of his note in excess of the assessed value of the liened property. The Massachusetts statutes would recognize this by taxing the mortgagor on five thousand dollars and the mortgagee on five thousand dollars, on the assumption that each has a fifty per cent. interest in the property. In either case only ten thousand dollars, the actual value of the property, is being taxed. It is easy to avoid double taxation in so simple a case; it is very difficult or even impossible to do so with the intricate mass of credits of which our modern world is composed. Standing against every credit there is an equal amount of indebtedness. A man may borrow money on his real estate, his stocks, his bonds, or without any security whatever. His stocks represent ownership in a corporation. That corporation may be simply a holding company or a sales corporation dealing in no tangible property.

His bonds may be secured by realty, tangible personal property, or by evidences of indebtedness in another corporation. With the present practice of pyramiding and retaining small equities, there is a mass of evidences of indebtedness in existence which simply offset each other, and do not represent additional property. It has been impossible for our lawmakers to clearly state what part of this great mass of indebtedness is or is not taxable. Most of it is taxable. The statutes specifically exempt certain intangible property of public service corporations because of the gross earnings tax, or the moneys and credits of a business corporation because of the net income tax. The courts have adjudicated on certain forms of intangible property which have made the burden of the assessors so heavy, in knowing the property is taxable, that no attempt has been made to tax them. Certain property of religious, philanthropic, charitable, and educational organizations is exempt. These specific exemptions, however, merely scratch the surface. There remains the great body of taxable intangible property. The attempt to reach it by legislation is interesting.

In 1887 a special commission on taxation made an exhaustive investigation of intangible property not reached by the assessors, and, in its report to the Connecticut General Assembly, it stated that only a very small fraction of intangible property owned in Connecticut was being put into the sworn tax lists. It, also, stated, "That no law could be framed and executed which would effectually reach such funds for purposes of taxation." Two years later the General Assembly, coming to the conclusion that notes, bonds, etc., would not be included in local tax lists and subject to the tax at the ever increasing local rates, decided to allow the holders of intangible property to pay a two mill tax to the state treasurer. By the placing of the rate at so low a figure, it was hoped that property of this nature would become very generally subject to the tax. In 1897 the rate was increased to four mills, with no appreciable deduction in the amount returned to the state treasurer for taxation. The result, however, has been very disappointing. As the years went by, it became very evident that only a small part of taxable intangible property was being taxed either by the state or by the municipality. In 1915 a further help to the listing of intangible property came from the so-called penalty tax law of that date. By that law all property which ought to have been taxed in the year preceding the death of a decedent and was not taxed

became subject to a penalty of two per cent for each of the five years preceding in which no tax was paid. This law increased, by seventy per cent the amount of property which was returned to the state treasurer for taxation. The results, however, were by no means

one of the steeds of our taxation chariot limping, with another refusing to draw, the third is carrying much more than his fair, equitable share of the burden.

The remedy of this condition would seem to lie in the total exclusion of intangible per-

	1917	1922
Real Estate	\$1,114,038,003	\$1,687,577,679
Tangible Personal Property	239,945,766	312,190,293
Intangible Property (reported locally)	12,793,270	5,714,145
Intangible Property (reported to State Treas.)	161,439,132	124,847,393
10% Additional (on lists not submitted)	8,931,894	13,044,594
 Grand Total	 \$1,537,148,065	 100.0%
Total Grand List subject to local taxation	\$1,375,708,933	\$2,143,374,104
Intangible Property registered with State Treasurer	161,439,132	10.5
 Grand Total	 \$1,537,148,065	 100.0%
	\$2,018,526,711	94.2%
	124,847,393	5.8

up to expectations. In 1917 the peak was reached. Since that time the amount returned has been declining.

The small burden carried by intangible property is shown in the table given on this page.

Nineteen hundred and seventeen was a particularly successful year in the reporting of taxable intangible property. Yet, that year only 11.3% of the total amount was intangible property, on practically all of which the four mill or four dollars per one thousand dollars' tax was paid to the state treasurer. The significance of these figures, however, is in the decrease of intangible property for taxation, while the other elements are increasing. In 1922 only 6.1% of total taxable property was intangible, as compared with 11.3% five years before.

Some years ago a state tax commission made this statement in its report: "The payment of the tax on personality is almost as voluntary, and is considered in pretty much the same light, as donations to the neighborhood church or Sunday school." With the almost total disappearance of intangible property from our tax lists it is seen at once that equality, the paramount qualification of a good tax, is violated. The tax burden should bear equally upon all according to ability. What is true of the escape of intangible property from taxation is true to a lesser extent of our tangible personality. Our realty is pretty generally taxed. It cannot be hid. It is before the eyes of all. Tangible personal property, however, is not so easy to discover. Large portions of it do not appear on our assessment rolls. With

sonality from our property tax. It is the overwhelming sentiment of tax authorities in the United States that only a small part of taxable intangibles will ever be reached through a property tax. This seems to be borne out by the results from the efforts made by this state to tax this kind of property. Throughout the country there is a general increase in favor of the income tax. It is the recognizance of the great basic truth that the taxation burden should be borne according to ability. Our state would remedy the greatest defect in its tax system if it applied the income tax at a low rate to that part of a person's income which arises from the ownership of intangibles. Such a law should be enacted simultaneously with the repeal of the statutes already in disgrace which attempt to impose a property tax on intangible property. Before Connecticut exempts tangible personality from its general property tax, all effort should be made to tighten up its present assessment system.

Last year the Tax Commissioner, at the direction of the Board of Equalization, made an investigation of the assessments of the towns in the state. The land records of each town were gone over, the actual selling values were obtained and compared with the assessed values. The statutes require the assessors to value property at "fair market value." The selling values were obtained from the grantors, grantees, and others having information, or, in a large percentage of the cases, from the federal stamps placed on the deeds. The stamps were correctly affixed in a very high number of transfers of residential property and small farms. The reverse was found to

be true in cases of mercantile and more valuable property if sold through or connected with speculative transactions. The results in the 169 towns of the state are as follows:

*Where Assessed Were Less Than Selling Values.*

<i>Amount Under</i>	<i>No. of Towns</i>
Less than 30%	1
Between 30 & 40%	10
" 40 & 50%	27
" 50 & 60%	51
" 60 & 70%	38
" 70 & 80%	32
" 80 & 90%	10
More than 90%	0

One of the best indications of fair cash value is the actual selling price of a piece of property. Selling price, of course, is not conclusive proof of actual value, but it is the best of evidence. A great improvement in the taxation of real estate would result if the local assessors kept accurate records of all real property turnover and the prices paid. From such data it would be possible to obtain a fairer idea of assessment values. Wherever there are urban conditions it is possible for the assessors to fix established rates of assessment, assessing so much per linear foot for all property in a certain neighborhood. Nothing is so satisfactory for real efficient assessment as the

knowledge that property is being valued at exactly the same rate as neighbors' property. Nothing is so unsatisfactory as knowing that your property is being put into the tax list at a less proportionate value than that of your competitor. Practically all the towns of the state, as shown by the investigation of last year, are assessing property at less than market value. The pitfalls and inconsistencies into which assessors fall when they are assessing at less than market value are so many and so numerous that it may be said that an efficient assessment can only result in a hundred per cent valuation as required by the statutes.

There remains the ethical desideratum for a good tax. It underlies the consideration of all the other principles. Connecticut does not want to retain a tax which is debauching to the conscience and subversive of the public morals. It does not want a school for perjury, promoted by law. It should not require its assessment officers to work to tell lies. The present corrupting and demoralizing influences would be done away with to a great extent (1) if intangible personality were excluded entirely from our general property tax and reached by a tax on its income, and (2) if the assessor were trained and instructed into a high regard for his duties, earning that high appreciation of his worth and value which he should have in the community.

## FEDERAL LEGISLATION

Among bills of importance to industry which have been introduced in the present Congress prior to its recent recess, are the following:

*Labor*

S. J. R. 1 (Shortridge) — Amending Constitution to give Congress power to regulate employment of women and of children under 18.

H. J. R. 15 (Raker) — Giving Congress power to regulate or prohibit employment of children under 18.

S. J. R. 35 (Lodge) — Amending Constitution in connection with child labor.

H. R. 453 (Blanton) — Anti-picketing law for District of Columbia.

*Marking of Goods, etc.*

H. R. 732 (Raker) — Providing for stamping and tagging of woolen goods.

S. 1024 (Capper) — Providing for tagging woolen goods.

S. 136 (Ladd) — Prohibiting manufacture, sale or transportation of adulterated or misbranded linseed oil, turpentine or paint.

S. 1188 (Lodge) — "Honest Merchandising Act of 1924," to prevent manufacture, sale or transportation of misbranded goods.

H. R. 16 (Rogers) — Prohibits shipment of goods bearing fraudulent brands, etc.

H. R. 11 (Kelly) — To protect public from trade marked goods below standard quality.

H. R. 3225 (Barkley) — Prohibiting manufacture, sale, etc. of misbranded articles.

*Sales, Contracts, etc.*

H. R. 747 (Mills) — "Federal Sales Act" to codify laws governing sales and contracts to sell in interstate commerce.

H. R. 6 (Merritt) — Vendors of trademarked articles may fix re-sale price by contract with dealers, wholesalers and retailers.

H. R. 80 (McClintic) — Persons, partnerships or corporations not to offer for sale stocks, bonds or other securities in states other than where home office is located, without authority from Federal Trade Commission.

(Continued on page 14.)

# PURCHASING DEPARTMENT FUNDAMENTALS

By MR. GUY P. MILLER *of Searle, Oakey & Miller.*

In order that a purchasing department may function efficiently in both a buyers' and a sellers' market, the purchasing agent must have the confidence and respect of his sources of supply, and a reputation for fair dealing and impartiality. In other words the relations between the purchasing department and the vendors must be entirely harmonious, both as regards personal contact and written communications. There is always the temptation for a purchasing agent to become autocratic or inconsiderate on account of the power placed in his hands, and such an attitude builds up a wall between him and his sources of supply which is apt to be very expensive for the company. The salesman's inclination is to make the best possible bargain with this class of buyer and to withhold valuable information which he would give to more considerate buyers.

It is also extremely important that the relations between the purchasing department and the various factory departments be harmonious and that there be complete co-operation. The limits of the purchasing authority should be clearly defined by the management. As the works manager or superintendent is usually responsible for the quality as well as the cost of goods produced, materials purchased must meet his specifications. In furnishing the specifications sufficient leeway should be given the purchasing agent to allow him to take advantage of competition. For example, the practice of specifying by brand or trade mark is not good practice, as a rule, as it tends to make a clerk out of the purchasing agent and eliminates competition. On the other hand, the works manager or his representative should always be consulted when specifications cannot readily be furnished or when technical knowledge not possessed by the purchasing agent is required.

Relative importance of quality, price and service should at all times be given proper consideration. Their position should vary with the character and quantity of goods to be

purchased and with their comparative importance in the production schedule. Bargains may occasionally be secured but should by no means be expected in every transaction. The effort to secure the last "eighth" has proved very expensive in many cases, particularly in a rising market. It does not pay in the long run to have either buyer or seller feel that he has been "stung." Some of the favorite specifications as to quality of material desired as given by the lazy or easy-going buyer are "Same as last," "Suitable for our requirements," "First class stock." Such specifications are worse than none, and much more likely to be the cause of dispute than if none had been given. Very great savings are often possible through careful study being given to the specifications, inasmuch as a great deal of money is frequently wasted by purchasing a grade of material either better than required for the purpose specified, or inferior. In the first case, a direct saving might be had by purchasing a cheaper grade of material, and in the second case a loss due to spoiled work or to the necessity of performing additional operations might have been avoided.

Specifications should be given with each order in sufficient detail to minimize the risk of misunderstandings, and in this connection the old adage "a stitch in time saves nine" is particularly appropriate. The quality of goods should be checked upon receipt either by practical or laboratory tests, or both, to insure the buyer getting that for which he pays. In many establishments where the quantity of goods received is carefully checked, no systematic method exists for checking the quality of goods received and little consideration is given to that problem unless trouble develops during production processes.

All purchase orders should contain clear and concise information as to deliveries and percentage of over-shipments or undershipments which will be accepted. Carelessness, in this respect is the cause of many losses. It is, of course, good policy to always be fair with the

vendor and not to take advantage of technicalities, but a clear understanding of the rights of each in advance is a mutual protection. The vendor gives better service to a customer who is fair but who knows his rights and demands them than to the customer of the easy-going kind.

One of the greatest opportunities to make or save money that the purchaser has is that of obtaining options. Many times an option is easily secured as in a falling market and may turn out to be very valuable. Under this heading should be considered the option to cancel all or a portion of the order under certain conditions, the option to increase the order at the same price, the option to decrease the order, the option of taking a maximum or a minimum quantity and the option of extending deliveries as required. It is also possible in some markets and in purchasing certain lines of goods to buy for future delivery guaranteed against declining prices. If purchases are not made coincident with sales commitments a record should be kept to show how they correspond. Speculative purchases during the short boom period following the war were responsible for many of the inventory losses which caused the failure of numerous corporations and the necessity of reducing dividends or passing them altogether by others. It is a well known fact that during this period the same specification for material was frequently placed with several vendors on account of the difficulty in securing deliveries in sufficient quantities. Manufacturers should regard outstanding purchase orders as a contingent liability even though they are not required to mention them on their statement when borrowing money. A record should be kept at all times showing the total amount of purchase orders outstanding in dollars and cents, subdivided to the main lines of purchase.

The average cost of raw materials and supplies should be checked periodically with average market prices. This check will enable the management to estimate the percentage of profits or losses due to purchases, particularly in lines of business where the selling price varies constantly with the raw material mar-

ket. In such businesses the results of the year's operations vary greatly due to the judgment used in purchasing. Ability to judge markets accurately can only be had by careful study of trade journals and by keeping posted on all conditions which are likely to affect the market for the particular kind of material involved.

As much time as possible should be given to the purchasing department by requisitioning departments in order to avoid the necessity of paying premiums for prompt deliveries, which is necessary if the purchase is made through a jobber or a retailer, where the material is of a character usually purchased direct from the manufacturer. The monthly report of the stores department to the purchasing department should enable the establishment of maximum and minimum quantities of each item to be carried in stock to be fairly determined, but foremen should be impressed with the necessity of not waiting until they want to use an article before requisitioning it. The investment in supplies carried in stock should be constantly watched as the tendency is for this to increase beyond the necessities of the business.

Consistent effort should be made to standardize purchases. This subject is worthy of an article in itself. Many plants have not taken advantage of the information readily accessible which would enable them to reduce their investment materially as well as their expenses. Altogether too many kinds of oils or steel, or typewriters, or pencils, as illustrations, are used in many places. Maximum cash discounts should be obtained, and arrangements should be made with vendors to average the date of invoices, making possible the practice of paying bills not oftener than twice a month. This will cut down materially the number of vouchers necessary and reduce the work of both the purchasing and accounting departments.

The effect of the freight bill, whether paid by the vendor or included in the price of the article should be properly weighed and it should be borne in mind that the title of goods en route depends upon the terms, and therefore it is advisable to purchase goods on the delivered basis when possible. For the same reason the unit cost of the article purchased should include the item of freight.

# TRANSPORTATION

## I. C. C. DENIES APPLICATION FOR INCREASED EXPRESS RATES

In a recent decision on I. C. C. Docket No. 13930 (Express Rates, 1922) the Interstate Commerce Commission has denied the application made by the railroads, through the express companies, for increases in express rates. Through the members of its Traffic Committee the Association has been in touch with this case from the start as the proposed increase would have meant much to shippers in this territory.

The railroads claimed that the express business was not paying its proportionate share of railroad operating expenses, but the shippers showed that the revenue received by the railroads was 10% greater than the amount to which they were entitled under the decision of the Interstate Commerce Commission made in 1920.

It was also shown that the contract now in effect and which had been substituted for the old 50 $\frac{1}{4}$  contract was largely responsible for the decrease in railroad express earnings in eastern territory, and that because of the territorial divisions specified in that contract, southern and western roads were receiving more than their share of earnings.

The Commission has ordered a complete revision of the express rate structure and has ordered commodity rates restored to the basis which was effective October 12, 1920. Carriers are also required to place inter-mountain territory rates on the same basis as all territory west of the Mississippi.

As a result of the decision there will be a slight increase in some rates and a slight decrease in other rates in eastern territory.

## MILEAGE BOOK ORDER AGAIN POSTPONED

The 20% reduction in passenger fares on interchangeable scrip coupon tickets, which was to have become effective January 1, has been

postponed by the Interstate Commerce Commission until April 1, 1924.

## THROUGH COAL RATES FROM WEST VIRGINIA

The Association has already advised members in Traffic Bulletin No. 210, of the attempt being made to secure the establishment of through rail rates on coal from West Virginia to New England points. The Association has filed application to be heard by the Interstate Commerce Commission at its hearing early in January and has asked interested firms to wire the Commission urging the establishment of such rates.

The coal referred to comes from non-union fields and is of a very high grade. If these rates are secured Connecticut will be able to secure the coal at a price which is estimated to be well below the cost of fuel from other districts.

## COST OF ROAD CONSTRUCTION IN CONNECTICUT

The State Highway Department recently announced that the cost of average road construction in Connecticut had increased about 150% in the last ten years. During that period the department has con-

structed 873.17 miles of roadway, 521.25 miles of which were new construction and 351.9 were reconstruction.

The increased cost for various types of roads is shown in the following table:

	1914	1923
Gravel .....	\$ 9,000	\$20,000
Macadam .....	12,000	25,000
Bit. Macadam .....	14,000	30,000
Concrete .....	17,000	40,000
Bit. Concrete .....	18,000	45,000

Connecticut now has 1,775.98 miles of roadways, of which 1,114.31 are trunk line highways, and 661.67 are state aid roads.

## ASSOCIATION ITEMS

### "FEDERAL TAXES FOR 1923"

The Association has available for distribution to those members who request copies, a pamphlet which explains in full the present tax law and which has been compiled for the purpose of making available to corporations and individuals full information on which to render correct returns for 1923.

Included in the pamphlet, in addition to an elucidation of the law and tables illustrating taxes, will be found the amendments passed in March 1923.

A request for "Federal Taxes for 1923" will bring a copy to you at once.

### NEW MEMBERS

New members who have recently come into the Association are the Connecticut Power Company of New London and the Kennel Food Supply Company of Fairfield.

### CENSUS OF MANUFACTURERS

The Census Bureau of the Department of Commerce will mail to all manufacturers early in January, forms for returns on the Census of Manufacturers, 1923.

An Act of Congress of March 3, 1919 provides that such a census shall be taken every two years. Returns of individual plants are regarded as entirely confidential and because the Association feels that the total figures are of very great commercial value, we urge our members to coöperate with the Bureau of the Census and forward their reports at as early a date as possible. The Association feels that figures such as those which are requested can be of little value unless they are complete, and the expense of compiling them when returns are mailed promptly is a fraction of the cost entailed when the Government is compelled to send out special agents to collect the information.

The desire of the Department of Commerce to coöperate with industry is marked and we urge therefore the return coöperation of our members in this matter.

### F. B. FARNSWORTH HONORARY DIRECTOR

Mr. F. B. Farnsworth, president of the Eastern Machinery Company of New Haven, whose term as Director of the Association expired at the end of 1923 has been elected an Honorary Director.

Mr. Farnsworth has been active in Association affairs for many years and was one of the incorporators of the organization in 1910.

### SOLDIERS' BONUS

The Association has again recorded itself as opposed to a soldiers' bonus and has asked members to write our Senators and Representatives expressing their opposition to the proposed measure. The following letter was recently addressed by Mr. Hubbard, president of the Association, to Senators McLean and Brandegee and Representatives Merritt, O'Sullivan, Freeman, Fenn and Tilson:

"At a meeting of the Board of Directors of our Association held December 11 in New Haven, the subject of the Soldiers' Bonus again came up for discussion and those present indicated a desire that the position of our Association in opposition to this measure be again forcibly expressed. As you will perhaps recall we advised you on several occasions last year of our position in this matter.

"We have now definitely recorded ourselves as being in entire accord with the so-called Mellon Plan for reduction in taxation and we therefore feel it opportune at this time to express to you again our feeling that no bonus measure should be passed at the present time. We again reiterate our position that every measure of relief possible should be enacted for the benefit of those soldiers who were wounded during the War or are suffering now from illness contracted at that time. We feel that all support of our country should be given to such measures and that more should be done for their relief than is being done at the present time."

## FEDERAL LEGISLATION — Continued from page 9.

### Taxation.

H. R. 1 (Green) — Amending Constitution to permit reciprocal taxation by Federal Government and individual states of securities of either.

S. 744 (Brookhart) — Taxing income of corporations, not subject to exemption, and not distributed in cash dividends, for period 1917-1922.

### Bonus

H. R. 3 (Hill) — Bonus for all veterans. Maximum \$625 for overseas and \$500 for service in this country. To be raised by tax on beer and cider.

H. R. 744 (Foster) — Payments as above or may have vocational or other aid instead.

H. R. 758 (Vinson) — Maximum payment of \$750 for overseas and \$625 for service in this country. May have land-settlement aid instead.

H. R. 2691 (Watkins) — Maximum payments of H. R. 3 and options of H. R. 758. To be raised by poll tax on alien immigrants and residents; by tax on gross income of foreign corporations and by increase in Federal estate taxes.

### Metric System

S. 100 (Ladd) — Government and private enterprise to use metric system, effective January 1, 1933.

### Transportation

H. J. R. 94 (Hoch) — Instituting inquiry into freight rate structure.

H. R. 2870 (Ward) — Loss and damage claims to be adjusted by carriers within 60 days.

H. R. 171 (Tincher) — Repeal certain sections of Transportation Act and abolish Railway Labor Board.

### Government in Industry

H. R. 2702 (Hull) — Government navy yards, arsenals, etc. authorized to bid for commercial work. In submitting bids, however, these establishments are not required to make allowance for overhead expenses such as depreciation, pay of personnel having army or navy status, or other costs not incurred by reason of such work being performed at such establishment.

S. 742 (Brookhart) — Bill similar to above.

H. R. 706 (Graham) — To equip United States Penitentiary at Leavenworth for the manufacture of shoes, brooms and brushes which must be purchased by Government departments.

### Pollution of Waters

H. R. 51 (Bacharach) — "Oil Pollution Act 1924." Prohibiting pollution of navigable waters through oil or oil refuse.

S. 1388 (Edge) — Similar.

S. 963 (Wadsworth) — Similar.

H. R. 612 (Lineberger) — Similar.

### Immigration

H. R. 5 (Raker) — Limiting immigration.

S. 35 (Lodge) — Limiting immigration and providing system of selection.

H. R. 83 (McClintic) — Extends present act to June 30, 1933. No immigrant over 16 shall be admitted unless possessed of at least \$100.

H. R. 101 (Johnson) — Limit immigration to 2% of each nationality resident in United States under 1890 census. Base quota of 200 for each country. United States consular agents abroad to issue certificates.

H. R. 113 (Raker) — Excludes Asiatics.

H. R. 539 (Phillips) — Annual total to be 500,000.

H. R. 561 (Sabath) — Base quota of 300 and an additional 2% based on census of 1920.

H. R. 622 (Perlman) — Repealing present Act.

H. R. 625 (Perlman) — Repeals literacy test.

H. R. 691 (Rosenbloom) — Registration at port of embarkation of desire to become citizen.

H. R. 2696 (Graham) — Admits wives and husbands of citizens without regard to present quota.

H. R. 3932 (Watkins) — Provides for suspension of immigration.

### Coal

H. R. 698 (Luce) — Specifies quality of domestic anthracite.

H. R. 757 (Treadway) — Establishes Anthracite Coal Bureau in Interstate Commerce Commission which may allot coal to states, establish standards, etc.

### Miscellaneous

H. R. 716 (Johnson) — To abolish Federal Trade Commission and transfer its powers to Department of Commerce.

S. 315 (Walsh) — To prevent evasion of anti-trust laws.

S. 812 (Fletcher) — Defining when (for purposes of Webb-Pomerene Export Trade Act) an association is engaged in foreign trade.

## NEWS OF THE TRADES

### MEETING OF HARTFORD OPEN SHOP BUILDERS

The annual meeting of the Hartford Open Open Shop Building Trades Exchange was held in December at the Heublein Hotel, Hartford. About seventy members and guests were present. James Porteus, treasurer of the Porteus-Walker Co. of Hartford, was elected president of the Exchange for the coming year.

### NEW INCORPORATIONS

Among firms newly incorporated in Connecticut are: Ultex Manufacturing Co. of Hartford, sheet handling mechanism for presses and creasers; J. B. Pollak Co., Danbury, athletic underwear; Hamilton Beach Manufacturing Co., Waterbury; Maray Manufacturing Co., Bridgeport; Stanley, Inc., New Britain; Wheeler-Raisley Manufacturing Co., New Haven; Ukelele Manufacturing Co., Bridgeport.

### MALLINSONS TO LOCATE IN CONNECTICUT

H. R. Mallinson and Company, Inc. of New York, silk manufacturers, have leased factory space in Meriden and expect to commence operations about January first, with ninety looms. The plant will later be moved to permanent quarters of larger size.

### PURCHASES BICYCLE PLANT

The Westfield Manufacturing Company of which Wilbur C. Walker, president of the Walker and Barkman Manufacturing Co. is also president, has purchased the Miami Bicycle Company of Chicago.

### MORRIS METAL PRODUCTS COMPANY SOLD

The Morris Metal Products Company of Bridgeport has been sold to the Ionic Holding Corporation of New York.

### HOUSING ENTERPRISE IN STAMFORD

The Rippowam Development Company of Stamford has recently been organized, with the Yale and Towne Manufacturing Co. the largest stockholder. The company has already purchased a tract of land on which it is proposed to erect a group of houses conforming to modern housing ideas, which will rent at moderate rates.

### NEW HAVEN COPPER COMPANY SOLD

The New Haven Copper Company of Seymour, manufacturers of brazers and sheathing

copper, has recently changed hands. No public announcement has as yet been made of the names of the purchasing interests.

### BELAMOSE CORPORATION TO LOCATE IN CONNECTICUT

The Belamose Corporation of New York has awarded a contract for the erection of a silk manufacturing plant in Rocky Hill. The first unit to be built will consist of three buildings and will be so constructed as to permit of the addition of further units.

### NEW FACTORY IN MIDDLETOWN

A new factory building is being constructed in Middletown for M. Bornstein and Sons at a cost estimated to be in the neighborhood of \$100,000.

### SHETUCKET WORSTED MILL SOLD

One of the two Shetucket Worsted Company's mills at Baltic has been sold to the Daniel Boone Woolen Company of Chicago. Michael Donohue who has operated both mills for a number of years will retain one mill for the manufacture of paper boxes.

---

We believe that the inventor of the alibi must have been Dr. Nathaniel Ames who, when a student in Harvard College in 1758, wrote the following lines in his diary:

"They who see this in future times may know that it is the covering of an old Almanack 1758. And do not despise old times too much for remember that two or three centuries from the time of seeing this you will be counted old times folks as much as you count us to be so now. Many People in these times think the Consumption very nigh, much more may you think so, and do not think yourselves so much wiser than we are as to make yourselves proud, for the last day is at hand in which you must give an account of what you have been about in this state of Probation & very likely you are more given to Vice than we are, and we than the last Century folks. If you have more arts than we have that you yourselves have found out, impute it not to our inability that we could not find them out, for if we had had only those very arts that we have now when we first came to settle in N. America very like we should have found out those very things which you have the honour to be the Inventors of — Dinner is ready I must leave off."

## SALES EXCHANGE

*In this department members may list without charge any new or used equipment or supplies. All copy must be in the hands of the editor by the fifteenth day of the month preceding publication.*

### FOR SALE

- 1—14" x 5' Hendey lathe—screw cutting and compound rest, countershafts, etc.  
1—16" x 8' Sebastian engine lathe—back geared, screw cutting countershaft, etc.  
1—14" Rockford shaper—adjustable table, swivel graduated vise and countershaft.  
1—No. 12 Kane & Roche 3 roll bending machine—20" x 5" pulleys.  
1—Sweetland filter press—No. 2157—self dumping, 12½" outlets.  
1—General Electric 3 stage centrifugal air compressor set, complete with motor.  
Address S. E. 74.

### Surplus Steel

- 1,670 lbs.,—.115 x 1-5/16 hot rolled 50/60 carbon, 79" long.  
722 lbs.,—.130 x 1-3/8 hot rolled 50/60 carbon, 76" long.  
480 lbs.,—.155 x 1½ hot rolled 50/60 carbon, 80½" long.  
1,253 lbs.,—.155 x 1¾ hot rolled 50/60 carbon, 6' 2" long.  
434 lbs.,—.072 x 3-1/8 hot rolled 50/60 carbon, 73½" long.  
187 lbs.,—.085 x 4½ hot rolled 50/60 carbon, 84" long.  
3,372 lbs.,—.145 x 5¾ hot rolled 40/50 carbon, 7' long.  
870 lbs.,—.155 x 1¾ hot rolled 50/60 carbon.  
1,840 lbs.,—.175 x 1¾ hot rolled 50/60 carbon, 85¾" long.  
1,598 lbs.,—.187 x 1-13/16 hot rolled 50/60 carbon, 73½" long.  
538 lbs.,—.093 x 1-5/8 hot rolled mach. steel.  
438 lbs.,—.185 x 1½ hot rolled mach. steel, 8' long.  
3,400 lbs.,—.250 x 2 hot rolled mach. steel, 8' long.

- 1,000 lbs.,—1-5/16 x 5/16 hot rolled mach. steel, 6'-3" long.  
2,447 lbs.,—5/16 Rd. lime Bt. Bessemer, 105" long.  
234 lbs.,—.016 x 2-1/16 soft cold rolled, 7' long.  
2,059 lbs.,—.085 x 8½ soft cold rolled 6'-6" long.  
1,153 lbs.,—.109 x 2-7/8 soft cold rolled, 60" long.  
255 lbs.,—.025 x 1 soft cold rolled 84" long.  
869 lbs.,—.035 x 2-1/16 soft cold rolled, 6'-5" long.  
1,070 lbs.,—5/16 Rd. liquor F. Bessemer, 105" long.  
6,925 lbs.,—½ Rd. hot rolled 50/65 carbon, 90" long.  
375 lbs.,—.070 x 1-1/8 ¼ hard cold rolled steel, 75" long.  
205 lbs.,—.035 x 4½ cold rolled, 60/65 carbon, 72" long.  
Address S. E. 75.

- 1—Otis plunger elevator in excellent condition. Car 4' 10" wide, 7' 6" deep, 8' 5" high. Capacity 2,000 lbs. Serves three floors.

Address S. E. 76.

- 2—Vertical Bigelow boilers.

- 2—Superheaters.

Address S. E. 71.

- 1—Bigelow return tubular steam boiler, 150 H. P.

Shell 72" diameter, 19' 6" long.

Heads 18" apart.

Shell plates 7/16" thick.

Heads 1/2" thick.

86 welded charcoal iron tubes, 3½" dia.

Address S. E. 72.

- 3—Coppus Turbo blowers 20", single stage, type A. Very good condition.

Address S. E. 73.

## EMPLOYMENT SERVICE

*This department is open to all members without charge. All copy must be in the hands of the editor by the fifteenth day of the month preceding publication.*

PURCHASING AGENT—Age 43, married. Twelve years' experience with large western railroad in purchasing and supply departments. Wishes to locate in New England. Address P. W. 97.

EXPORT MANAGER—Fifteen years' experience in Australia selling American goods for American export house. Experience also in other foreign countries. Interested in handling foreign sales for Connecticut concern. Address P. W. 98.

FACTORY EXECUTIVE—Age 25, single. Graduate of Massachusetts Institute of Technology with B. S. degree in Engineering Administration. Has had experience as assistant to works manager and production engineer. Address P. W. 99.

SECRETARY—Young man, age 25. Experience as clerk and stenographer for four years with New Haven Railroad. Seven years with large Connecticut industry, part

of this time as chief clerk and secretary to warehouse superintendent. At present time holds position of private secretary to manager of Connecticut firm. Address P. W. 93.

STOREKEEPER—Age 30, married. Seven years with New Haven Railroad in various clerical capacities. For last seven years storekeeper for public utility. Work included ordering of supplies, general accounting, disbursements, handling invoices, freight bills, inventories, etc. Three years of this time spent in installing stock systems in different divisions, diverting material, etc. Address P. W. 94.

SALESMAN—Age 26, married. Graduate of high school, military academy and preparatory school. Left Mass. Inst. Tech. to enter army. Has had two years factory experience as moulder and pattern maker and two years selling. Address P. W. 95.

